



Climate Governance Project Project Scoping, Methodology, Evidence Base

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This paper explains how the Climate Governance Project has been conceived, structured and developed at HKUST. It provides a record of the project’s research logic, analytical framework, evidence base, stakeholder engagement process and the evolution of its Five-Pillar Model.

Although the project has been conducted in a policy-practitioner mode rather than as a conventional academic research project, it has followed a structured method. It began with the question of why recognised climate priorities do not always translate into scaled implementation. It then examined this question through conceptual and comparative research, Hong Kong institutional analysis, case-study testing, government-facing policy reflection and structured professional deliberation with different communities of experience.

1. Why a Climate Governance Project?

Climate change is usually addressed through sectoral policies, such as decarbonisation, energy efficiency, adaptation, and climate finance. But delivery cuts across government bureaux and departments, regulators, markets, and business. The challenge is not only technical or financial. It is institutional: how to align these actors so that policy ambition can become implementation.

The Climate Governance Project was conceived to examine this implementation challenge from a governance perspective. It asks not only what policies Hong Kong should adopt, but how public institutions, markets and stakeholders can be aligned to deliver outcomes at scale.

The project starts from a practical premise: Hong Kong does not lack policy ambition, technical knowledge, professional expertise or financial capacity. The more difficult question is why these strengths do not always translate into coordinated and sustained implementation. The project is concerned with the “implementation gap”: the space between recognised policy priorities and the institutional, financial, market and social arrangements needed to deliver them.

The project’s working hypothesis is that effective climate governance requires a system that can:

- set clear direction, missions, targets and expected outcomes;
- provide high-level leadership, clarify accountability and resolve trade-offs;
- integrate climate and sustainability objectives into routine decision-making;
- create financing and delivery mechanisms that make implementation possible; and
- engage stakeholders in ways that support practical action, trust, learning and accountability.

The project is not designed as a conventional sectoral policy review. It is a governance inquiry into how Hong Kong can strengthen its capacity to deliver cross-cutting transition outcomes within its existing executive-led system. Its purpose is to identify the conditions, mechanisms and institutional practices that can help turn climate ambition into implementation.

2. Overall Project Design

The project has been developed in stages, with each stage serving a specific purpose. It began by establishing a conceptual and comparative foundation for understanding climate governance. It then applied this framework to Hong Kong's institutional system, tested it through four case studies, and used workshops and stakeholder engagement to challenge and refine the diagnosis. The final stage is to synthesise the findings into a practical recommendation paper for the HKSAR Government.

The project can therefore be understood as a funnel: moving from broad conceptual analysis to Hong Kong-specific diagnosis, to case-study testing, stakeholder deliberation and final recommendations.

1. **Conceptual scoping:** What does effective climate governance require? (*Pack 1*)
2. **Comparative analysis:** How do different systems organise climate governance? (*Pack 1*)
3. **Hong Kong diagnosis:** How does Hong Kong's current governance system perform? (*Pack 2*)
4. **Case-study testing:** How do governance challenges appear in real policy domains? (*Pack 3*)
5. **Stakeholder ideation:** What do government officials, market actors, experts and practitioners see as feasible, missing or urgent? (*Workshops and stakeholder discussions*)
6. **Recommendation synthesis:** What practical changes should the HKSAR Government consider? (*Final recommendation paper*)

3. Pre-Workshop Materials: Packs 1, 2 and 3

The project prepared three sets of pre-workshop materials, together with a short briefing note, to give participants a common evidence base. The purpose was to ensure that workshop discussions were grounded in prior research and focused on governance questions rather than general climate policy debate.

Pack 1 established the analytical foundation. It framed climate change as a systemic governance challenge and reviewed experience from the United Kingdom, Mainland China, Singapore and Hong Kong. The purpose was to understand how different systems organise long-term direction, leadership, coordination, accountability and stakeholder engagement. This comparative analysis informed the initial Five-Pillar Model of effective climate governance.

Pack 2 applied the Five-Pillar Model to Hong Kong's governance system. It examined how Hong Kong's institutions, bureaux, departments, advisory bodies, regulators and coordination mechanisms support or constrain climate delivery. The analysis recognised Hong Kong's strengths, including policy continuity, executive-led authority, professional administration and emerging climate coordination structures. It also identified recurring challenges, including horizontal coordination across bureaux and departments, partial mainstreaming of climate objectives, fragmented information and reporting, and the need for stronger implementation mechanisms.

Pack 3 tested the framework through four case studies: retrofitting existing buildings, biodiversity and BSAP and nature-based solutions (NbS), shipping and port decarbonisation, and green finance. These cases were selected because they reveal different types of governance challenge. Building retrofit tests market creation across fragmented private assets. Biodiversity and NbS test mainstreaming, stewardship, data and long-term ecological governance. Shipping and port decarbonisation test Hong Kong's ability to govern a globally regulated sector within a local port-city system. Green finance tests whether Hong Kong's financial market strengths can be connected to real-economy transition projects.

Together, the three Packs provided the intellectual and evidentiary foundation for the workshops. They were not intended to predetermine conclusions. Their role was to structure discussion, establish a shared vocabulary and identify governance issues for participants to examine from their own institutional, professional and sectoral experience.

4. Evolution of the Five-Pillar Model

The Five-Pillar Model was first developed from the conceptual and comparative analysis in Pack 1, then applied to Hong Kong's governance system in Pack 2 and tested through the case studies in Pack 3. The initial model provided a useful diagnostic framework for examining long-term direction, leadership, integration, transparency and accountability, and stakeholder engagement.

As the project developed, the model was refined to place greater emphasis on implementation. Two changes became necessary.

- First, finance had to be brought into the core framework. It became clear that finance could not be treated only as a sectoral issue, or as an external condition sitting outside governance. Across the case studies, finance emerged as a central governance function. Building retrofit requires mechanisms to mobilise private capital and overcome split incentives. Biodiversity and NbS require long-term stewardship funding, credible data and durable public-private sector partnership models. Shipping and port decarbonisation require public and private investment in port infrastructure, new fuels and energy efficiency equipment, together with mechanisms to share first-mover risks. Green finance requires a stronger connection between financial market capacity and real-economy transition projects.
- Second, the final pillar was simplified. The earlier distinction between transparency, accountability and stakeholder engagement was useful for diagnosis, but it became too complex for an implementation-oriented framework. In practice, reliable data and information, structured engagement and feedback mechanisms work together. They support trust, learning, accountability and course correction. The final pillar was reframed as Transparency and Engagement.

The refined Five-Pillar Model is therefore:

1. **Direction:** setting clear missions, targets, timelines and expected outcomes;

2. **Leadership and Accountability:** providing high-level political steer, clarifying responsibility, resolving trade-offs and ensuring follow-through;
3. **Integration:** embedding climate and sustainability objectives across bureaux, departments, sectors and routine decision-making;
4. **Finance and Market Creation:** mobilising public and private capital, creating investable pathways, aligning incentives and developing the conditions for markets to deliver transition outcomes; and
5. **Transparency and Engagement:** using reliable data and information, structured engagement with markets, experts, stakeholders and communities, and feedback mechanisms to support trust, learning and accountability.

This refinement was reinforced through the workshops and stakeholder discussions. Participants repeatedly emphasised that governance cannot be separated from financing, delivery capacity, market creation, data, transparency and engagement. The change in the model should therefore be read not as a departure from the original framework, but as the product of the project's learning over time. The original model was useful for diagnosis and for structuring early discussion. The refined model is better suited to developing practical recommendations for government and other actors responsible for implementation.

5. Role of the CEPU Paper

In April 2026, HKUST was invited to submit a paper to the Chief Executive's Policy Unit (CEPU) as part of CEPU's process of gathering ideas for the preparation of the HKSAR Government's first Five-Year Plan. The paper reflected the Climate Governance Project's thinking at that stage of development. It served as an interim policy synthesis, translating the project's governance analysis into a strategic, government-facing argument.

The CEPU paper viewed climate governance through the lens of Hong Kong's executive-led system, the forthcoming local Five-Year Plan, and alignment with the National 15th Five-Year Plan. It moved the discussion from climate governance toward a broader mission-oriented development governance. It argued that Hong Kong's central challenge is not the lack of policy ambition or administrative capability, but the difficulty of translating strategic intent into coordinated, system-wide outcomes across bureaux, departments, regulators, markets and stakeholders.

The paper also sharpened the concept of government as a systems architect. In this framing, government does not merely announce policies or facilitate markets. It shapes the conditions under which coordinated action can occur. This includes setting direction, clarifying missions, aligning public and private actors, creating financing structures, de-risking early-stage projects, developing standards, aggregating demand and supporting implementation across interconnected domains.

The CEPU paper was not the project's final output. Further research and stakeholder engagement would continue, with more detailed recommendations to be developed later. However, when the HKSAR Government published its public consultation document on Hong Kong's first Five-Year Plan on 15 June 2026, the project entered a more time-sensitive phase. The consultation period, which closes on 14 August 2026, created an important opportunity to

submit a more developed recommendation paper while the HKSAR Government was actively considering ideas for the Plan.

The CEPU paper therefore became a bridge between the project's background research and its final recommendation phase. It helped test the emerging framework in a policy-relevant context, while the consultation timetable gave the project a clear external deadline. The final recommendation paper will build on the CEPU submission, the three Packs, and the workshop process to position climate governance within Hong Kong's wider development and governance agenda.

6. Workshop Methodology

The workshops were designed to test and refine the project's diagnosis with different communities of experience. They were not general consultations on climate policy. Each workshop used the Five-Pillar framework and selected case studies to focus discussion on practical governance questions: what works, what stalls, what is missing, and what mechanisms could unlock delivery.

The workshop with former senior government officials was especially important because it tested administrative realism. Former officials brought insight into how the bureaucracy works, where coordination succeeds or fails, what issues remain unresolved across bureaux and departments, and what matters require escalation to Chief Executive, Chief Secretary or Financial Secretary level. Their role was not to provide general views, but to act as expert testers of the governance diagnosis.

Other workshops and stakeholder discussions tested different dimensions of implementation. Corporate and professional stakeholders examined market feasibility, technical delivery and private sector incentives. Finance and investment actors considered bankability, risk allocation, aggregation and project pipelines. Biodiversity stakeholders focused on stewardship, data, long-term management and ecological outcomes. Maritime stakeholders emphasised commercial realism. Public bodies, universities, utilities, professional institutes and NGOs contributed perspectives on engagement, capacity building and public value.

The workshops served three purposes: to validate whether participants recognised the diagnosis; to identify what was missing, overstated or underdeveloped; and to generate practical ideas for strengthening implementation. The findings have helped refine the Five-Pillar Model and shape the final recommendations. The pre-workshop materials were used to provide a common evidence base and structure discussion, not to predetermine conclusions.

The workshops should be understood as structured professional deliberations. They do not represent public opinion. Their value lies in governance learning: bringing together people with institutional memory, sectoral knowledge, market experience and implementation insight to examine how climate governance challenges arise in practice.

This distinction matters because many implementation problems are not visible in policy documents alone. They emerge from how bureaux and departments interpret their mandates, how market actors assess risk, how financiers judge bankability, and how stakeholders

perceive credibility and accountability. The purpose was not to seek consensus for its own sake, but to surface practical judgment: what is feasible, what is missing, what requires higher-level direction, and what conditions are needed for action to scale.

7. From Evidence to Final Recommendations

The final recommendation paper is expected to be published before 14 August 2026, to coincide with the closing date of the HKSAR Government's public consultation on Hong Kong's First Five-Year Plan. It will draw on the project's cumulative evidence base: the conceptual and comparative scoping in Pack 1, the Hong Kong institutional diagnosis in Pack 2, the case-study analysis in Pack 3, the CEPU-facing policy synthesis, and the workshop discussions with different communities of experience.

The final paper will not repeat the full analysis contained in the background materials. Its purpose will be to translate the project's diagnosis into practical proposals for strengthening Hong Kong's climate governance. The recommendations should meet five tests. They should address a real implementation barrier; be grounded in Hong Kong's institutional reality; support delivery rather than only policy aspiration; be relevant across more than one case where possible; and be informed by stakeholder experience and professional judgment.

This approach is intended to ensure that the final recommendations are not generic reform ideas, but practical proposals developed through a structured and evidence-informed process. The final paper will therefore move from background scoping and case testing toward recommendations that can strengthen direction, leadership and accountability, integration, finance and market creation, and transparency and engagement.

8. Conclusion

This paper provides a record of how the Climate Governance Project has moved from research and diagnosis to case-study testing, policy reflection and stakeholder deliberation.

The project's central proposition is that effective climate action depends not only on ambition, expertise or finance, but on the governance capacity to bring these elements together. Hong Kong has many of the ingredients needed for climate delivery, including policy continuity, administrative capability, financial capacity and professional expertise. The challenge is to organise these strengths into a more coherent system for implementation.

The Five-Pillar Model has evolved through the project into a more implementation-oriented framework. The final recommendation paper will build on this foundation to identify practical ways to strengthen Hong Kong's climate governance within its existing executive-led system.